CHAPTER 1209

PROHIBITED INTERESTS IN PUBLIC CONTRACTS — EXCEPTIONS H.F. 2057

AN ACT relating to prohibited interests in public contracts.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Section 68B.4, Code 1989, is amended to read as follows: 68B.4 WHEN SALES PROHIBITED.

No An official or employee of any regulatory agency shall <u>not</u> sell, either directly or indirectly, any goods or services to individuals, associations, or corporations subject to the regulatory authority of the agency of which the person is an official or employee, <u>except when the official</u> or employee has met all of the following conditions:

- 1. The consent of the regulatory agency for which the person is an official or employee is obtained and the person is not the official or employee with the authority to determine whether agency consent is to be given under this section.
- 2. The duties or functions performed by the official or employee for the regulatory agency are not related to the regulatory authority of the agency over the individual, association, or corporation, or the selling of goods or services by the official or employee to the individuals, associations, or corporations does not affect the official's or employee's duties or functions at the regulatory agency.
- 3. The selling of any goods or services by the official or employee to an individual, association, or corporation does not include advocacy on behalf of the individual, association, or corporation to the regulatory agency in which the person is an official or employee.
- 4. The selling of any goods or services by the official or employee to an individual, association, or corporation does not cause the official or employee to sell goods or services to the regulatory agency on behalf of the individual, association, or corporation.

Each regulatory agency shall adopt rules specifying the method by which agency consent under this section may be obtained.

Sec. 2. <u>NEW SECTION.</u> 279.7A INTEREST IN PUBLIC CONTRACTS PROHIBITED — EXCEPTION.

A board of directors of a school corporation shall not have an interest, direct or indirect, in a contract for the purchase of goods, including materials and profits, and the performance of services for the director's school corporation. A contract entered into in violation of this section is void. This section does not apply to contracts for the purchase of goods or services, which benefit a director, if the benefit to the director does not exceed one thousand five hundred dollars in a fiscal year, and contracts made by a school board, upon competitive bid in writing, publicly invited and opened.

- Sec. 3. Section 331.342, subsection 3, Code 1989, is amended to read as follows:
- 3. Contracts made by a county of less than ten thousand population, upon competitive bid in writing, publicly invited and opened.
- Sec. 4. Section 331.342, Code 1989, is amended by adding the following new subsection:

 NEW SUBSECTION. 10. Contracts not otherwise permitted by this section, for the purchase of goods or services by a county, which benefit a county officer or employee, if the purchases benefiting that officer or employee do not exceed a cumulative total purchase price of one thousand five hundred dollars in a fiscal year.
 - Sec. 5. Section 362.5, subsection 10, Code 1989, is amended to read as follows:
- 10. Contracts not otherwise permitted by this section, for the purchase of goods or services by a city having a population of more than two thousand five hundred but less than ten thousand, which benefit a city officer or employee, if the purchases benefiting that officer or employee do not exceed a cumulative total purchase price of one thousand five hundred dollars in a fiscal year.

Sec. 6. Section 362.5, subsection 11, Code 1989, is amended by striking the subsection.

Approved April 27, 1990

CHAPTER 1210

ENVIRONMENTAL INFRACTIONS H.F. 2412

AN ACT providing for the enactment of municipal infractions relating to the environment and providing penalties.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Section 364.22, subsection 1, Code Supplement 1989, is amended to read as follows:

1. A municipal infraction is a civil offense punishable by a civil penalty of not more than one hundred dollars for each violation or if the infraction is a repeat offense, a civil penalty not to exceed two hundred dollars for each repeat offense. However, notwithstanding section 364.3, a municipal infraction arising from noncompliance with a pretreatment standard or requirement, referred to in 40 C.F.R. § 403.8, by an industrial user may be punishable by a civil penalty of not more than one thousand dollars for each day a violation exists or continues.

A city may classify a municipal infraction, other than a violation arising from noncompliance with a pretreatment standard or requirement, as an environmental violation if the infraction is a violation of chapter 455B or a violation of a standard established by the city in consultation with the department of natural resources, or both. The discharge of airborne residue from grain, created by the handling, drying, or storing of grain by a person, shall not be subject to an ordinance, the violation of which is classified as an environmental violation, unless the person is engaged in industrial production or manufacturing of grain products. The discharge of airborne residue from grain, created by the handling, drying, or storing of grain by a person engaged in industrial production or manufacturing of grain products, shall not be subject to an ordinance, the violation of which is classified as an environmental violation, if the discharge occurs from September 15 to January 15. A municipal infraction which is classified an environmental violation is punishable by a civil penalty of not more than one thousand dollars for each occurrence. A person committing an environmental violation is not subject to a civil penalty, if all of the following conditions are satisfied:

- a. The violation results solely from the person conducting an initial start-up, cleaning, repairing, performing scheduled maintenance, testing, or conducting a shutdown, of either equipment causing the violation or the equipment designed to reduce or eliminate the violation.
- b. The person notifies the city of the violation within twenty-four hours from the time that the violation begins.
 - c. The violation does not continue in existence for more than eight hours.
- A city shall not enforce this section against a person committing an environmental violation, until the city offers to participate in informal negotiations with the person. If the person accepts the offer, the city and the person shall participate in good faith negotiations to resolve issues alleged to be the basis for the violation.
- Sec. 2. Section 364.22, subsection 5, paragraph a, Code Supplement 1989, is amended to read as follows:
- a. The matter shall be tried before a magistrate, or a district associate judge, or a district judge in district court if the total amount of civil penalties does not exceed two thousand dollars in the same manner as a small claim. The matter shall only be tried before a judge in district court if the total amount of civil penalties assessed exceeds two thousand dollars.